

Federal website has answers on insurer rebate

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If you have questions about the practices of your managed-care coverage, ask the experts at the state Department of Managed Health Care.

Q: How can I find out more information on the Affordable Care Act's new insurer premium rebate for small businesses?

— Veronna, Sonoma

Information on the Affordable Care Act (ACA) is widely available on the Internet, but for the most accurate, up-to-date information, you can go straight to the source: www.healthcare.gov.

This website is run by the federal government and is managed by the U.S. Department of Health and Human Services. The website provides important information for a wide range of people, including small-business owners, families with children looking for insurance, seniors and people with disabilities.

According to the website, small businesses may be entitled to a premium rebate when their health plan's medical loss ratio exceeds certain thresholds.

A medical loss ratio (also called an "MLR") is the percentage of premium dollars a plan spends on claims for medical services as opposed to administrative costs. For health plans in the individual and small group markets, the health plan has to spend at least 80 percent of the premium dollars it collects on health care services. For health plans offering large group products, the ratio is set at 85 percent of the premium dollars collected. If a health plan fails to meet these ratios, it must reimburse the difference to its enrollees.

The ACA also provides small businesses with a premium tax credit when they insure up to 25 employees, pay average annual wages less than \$50,000 and provide health insurance.

For now, small businesses that meet the criteria can qualify for up to a 35 percent tax credit to offset the cost of providing health insurance. In 2014, the tax credit will increase to 50 percent for businesses that qualify.

In addition to information on tax credits, www.healthcare.gov has tools to help business owners choose the most affordable plans for their employees by comparing benefits and premium rates in one convenient location.

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Consumers with questions about obtaining the right care at the right time are encouraged to contact the DMHC by calling (888) 466-2219 or by logging on to www.healthhelp.ca.gov.